

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL MEMORANDUM**

**HB 3526 – SB 3330**

March 22, 2012

**SUMMARY OF AMENDMENT (015131):** Deletes all language after the enacting clause. Requires bonds for certain county public officials to be transmitted for safekeeping to the county clerk, instead of the Comptroller of the Treasury. Increases, from \$10,000 to \$50,000, the sum of bonds that each county assessor is required to inter into prior to performing any office duties. Removes the requirement that the governing body of any county elects, by a two-thirds vote, whether or not the county assessor shall make a surety bond or a bond with two or more good sureties, prior to the time such county assessor is inducted and sworn into office. Removes the requirement that county mayors must read the bond required of the assessor to the assessor and the assessor's sureties and direct their attention to the duties and penalties prescribed by law. Removes the Class A misdemeanor offense for failure of a county clerk to keep and preserve such bonds in a well-bound book or for a county mayor to accept or approve of any bond designated in this section without complying with this section. Removes the requirement that all bonds must be filed before any official act is performed.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

On March 21, 2012, a fiscal memorandum was issued estimating a fiscal impact as follows:

*NOT SIGNIFICANT*

Due to an incorrect assumption, this impact was in error. Based upon additional information provided by the Comptroller of the Treasury (COT), the estimated impact is:

**(CORRECTED)**  
**Increase Local Expenditures – \$21,000\***

**HB 3526 – SB 3330 (CORRECTED)**

Corrected assumptions applied to amendment:

- Under current law, any public officer required by law to give bond who performs any official act before such bond is approved and filed as required commits a Class C misdemeanor. Removing the requirement that the bond be filed in order for such person to commit such offense will not have a significant impact on the caseloads of local courts.
- Removing the Class A misdemeanor offense for failure to keep and preserve bonds and comply with requirements of this section will not have a significant impact on the caseloads of local courts.
- According to COT, increasing the amount required for the bonds of county assessors from \$10,000 to \$50,000 will result in a recurring increase in expenditures for each county of approximately \$886 for a 4-year term. The total recurring increase in local expenditures is estimated to be \$21,043 ( $\$886 \times 95 \text{ counties} / 4 \text{ years}$ ).

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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